



## Recommendation for Action

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**File #:** 21-3379, **Agenda Item #:** 9.

11/18/2021

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### **Posting Language**

Authorize the City Manager to award, negotiate, and execute cultural arts grants in the amount of \$5,300,373.

### **Lead Department**

Economic Development.

### **Fiscal Note**

Funding in the amount of \$5,300,373 is available from the U.S. Department of Treasury, American Rescue Plan.

### **Prior Council Action:**

May 7, 2020 - Approved Resolution No. 20200507-023 which directed the City Manager to develop an initial program to help sustain small and local non-profit organizations and businesses using a portion of federal dollars designated for pandemic-related relief, and partner in the creation of a regional Economic Response Dashboard.

June 4, 2020 - Approved Resolution No. 20200604-040 which adopted the COVID-19 proposed spending framework for the use of all available federal and local funding that leverages and maximizes the benefit of federal COVID-19 relief funding and local funding.

May 20, 2021 - Approve Resolution No. 20210520-060 which directed the City Manager to explore funding in an amount not to exceed \$25 million from the American Rescue Plan, General Revenue, and other city, state, and federal funding sources, to stabilize the Austin cultural arts and music communities as they combat the economic effects of the COVID-19 pandemic and Winter Storm Uri.

June 10, 2021 - Approved Resolution No. 20210610-077 which adopted the American Rescue Plan Act Spending Framework and authorizing the City Manager to make the necessary allocations.

June 10, 2021 - Approved Resolution No. 20210610-078 which amended the Fiscal Year 2020-2021 Financial Services Department Operating Budget Special Revenue Fund (Ordinance No. 20200812-001) to appropriate an amount not to exceed \$49,400,000 from the U.S. Department of Treasury, available through the American Rescue Plan Act, for municipal purposes related to the Coronavirus disease outbreak and recovery efforts.

June 10, 2021 - Approved Resolution No. 20210610-092 which directed the City Manager to allocate \$2 million in American Rescue Plan Act funding to the Nonprofit Relief Grant Program for the purpose of supporting Austin's nonprofit organizations engaged in arts and culture.

August 11, 2021 - Staff provided an update on Resolution No. 20210520-060 laying out Creative Industry Support Programs for FY22, including \$6 million for Arts from ARPA Funding.

August 12, 2021 - Requested the Arts Commission provide input on matters regarding funding for the arts through both the 2022 City Budget and the American Rescue Plan Act Funds.

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**For More Information:**

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Meghan Wells, Cultural Arts Division Manager, Economic Development Department, 512-974-9314.

**Council Committee, Boards and Commission Action:**

April 19, 2021 - Arts Commission formed an "Emergency Funding and Proactive Strategies for Future Funding Working Group" with Commissioners Barnes, Flores, Schmalbach, Van Dyke, and Zisman.

August 16, 2021 - Arts Commission Approved a motion to prioritize ARPA funds as emergency relief funds for the community, and get it out as fast as possible, and not use it to back fill cultural contracts.

August 19, 2021 - Arts Commission Recommendation 20210816.5.b.i-ii (approved 9-0-1) to Council regarding FY 22 Budget Items relating to funding for the Arts and Culture expenditure of American Rescue Plan Funds (ARPA).

September 20, 2021 - Arts Commission Approved a Motion to allocate \$5,403,600 in ARPA funds through the framework recommended by the Emergency Funding and Proactive Strategies for Future Funding Working Group to provide relief funds for the arts community.

September 21, 2021 - Arts Commission Recommendation 20210920-4.a.i (approved 11-0-0) to Council regarding FY 22 allocation of American Rescue Plan Funds (ARPA) for relief to the arts community.

**Additional Backup Information:**

The Economic Development Department will deploy these grant contracts in alignment with the Arts Commission Recommendations regarding FY 22 allocation of American Rescue Plan Act (ARPA) funds for relief programs to the arts community in the amount of \$5,300,373.

This action is responsive to all bullets except the second bullet from Arts Commission Recommendation. The full breakdown of the \$6,000,000 in Arts ARPA funding, as recommended by the Arts Commission, is as follows:

- \$420,000 for an additional 21 grants in Arts & Culture Non-Profit Relief
- \$86,400 for Better Business Bureau to administer an additional \$1,920,000 in Arts & Culture Non-Profit Relief Grants
- \$5,300,373 for Core and Cultural Heritage Contractors using Arts Commission Framework
  - Current cultural contractors in Core and Cultural Heritage Festivals who received less than \$10,000 in relief funding (through at least four sources -- Shuttered Venue Operators Grant, ARPA-funded Arts and Culture Nonprofit Relief, Creative Space Assistance Program, and CARES Act-funded Nonprofit Relief for arts organizations), will receive 100% of their FY21 contract amount. Total: \$1,861,125.
  - Current cultural contractors in Core and Cultural Heritage Festivals who received less than \$1,000,000 but more than \$10,000 in relief funding (through the same four sources listed in previous bullet), will receive 85% of their FY21 contract amount. Total: 3,439,348.
- \$193,227 in adjustments and other emergency funding programs as determined by the Arts Commission and staff.

**Strategic Outcome(s):**

Economic Opportunity and Affordability, Culture & Lifelong Learning.